



CANNON BUILDING  
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STATE OF DELAWARE  
**DEPARTMENT OF STATE**

DIVISION OF PROFESSIONAL REGULATION

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PUBLIC MEETING MINUTES:	<b>COUNCIL ON REAL ESTATE APPRAISERS</b>
MEETING DATE AND TIME:	<b>Tuesday, May 18, 2010 at 9:30 a.m.</b>
PLACE:	861 Silver Lake Boulevard, Dover, Delaware <b>Conference Room A</b> , second floor of the Cannon Building
MINUTES APPROVED:	<a href="#">June 15, 2010</a>

**Members Present**

Brad Levering, Chair, Professional Member  
Gary V. Parker, Vice Chair, Professional Member  
Stephen Huston, Professional Member  
William Diveley, Professional Member  
Ronald Mandato, Professional Member  
Linda Carter, Public Member  
Frank Long, Public Member

**Division Staff/Deputy Attorney General**

Patricia Murphy, Deputy Attorney General  
Nicole Williams, Administrative Specialist II

**Members Absent**

Selena Zook, No longer a Council Member

**Others Present**

Earl Loomis

**Call to Order**

Mr. Levering called the meeting to order at 9:35 a.m.

**Review and Approval of Minutes**

The Council reviewed the minutes from the April 20, 2010 meeting. Mr. Parker noted one section of the April minutes to be corrected. Ms. Williams will make the necessary correction. Mr. Parker made a motion to approve the minutes with the noted correction, seconded by Mr. Huston. Motion carried unanimously.

## **Unfinished Business**

### **Strategic Planning**

#### **Subcommittee Update from May 6<sup>th</sup> Meeting**

Mr. Huston advised the Council that at the May 6<sup>th</sup> Subcommittee meeting consisting of himself, Mr. Parker and Mr. Diveley. The Subcommittee reviewed and discussed specifically Pennsylvania's assessor regulations for licensure/certification. At the next meeting the members will review and discuss other surrounding state's regulations regarding assessors and will be looking forward to officially adopt PA's regulations for assessors. Mr. Levering inquired if the assessors have been contacted regarding this matter. Mr. Huston advised that Mr. Parker will be contacting Lou Cox regarding the matter and Mr. Phillip McGinnis of the Real Estate Commission has been made aware of this matter as well.

#### **Next Subcommittee Meeting Date Scheduled for June 8<sup>th</sup> at 1:00 p.m.**

Mr. Huston advised the Council of the next subcommittee meeting to be scheduled for June 8<sup>th</sup>.

### **Status of Complaints**

Mr. Parker advised the Council that complaint 19-11-09 is officially closed.

Mr. Mandato advised the Council that complaint 19-12-09 has been sent to the Attorney General's office for further investigation.

### **Proposal to Deny for Joseph Biado, Application for Certified General**

Ms. Williams advised of the matter to deny Mr. Biado's application. Ms. Oliva advised the Council that they must make a motion to deny his application for licensure. Mr. Huston made a motion to deny Mr. Biado's application due to non response, seconded by Mr. Diveley. The motion carried unanimously.

### **Licensed Appraiser and Statute Changes: Transaction Value/Market Value Definition**

Ms. Oliva advised of the Council's statute's definitional sections as they currently stand regarding transaction value and advised of Virginia's statute definition. The Council reviewed Virginia's definition for transaction value. Mr. Mandato advised to strike the last line in its entirety regarding transaction value from VA's statute as it does not relate.

Mr. Parker advised that the Council's determination was to proceed with striking "federally-related" from the definitions regarding transaction value and advised that the definition should be the first and second sentence of VA's statute with the deletion of "market" in the second sentence and further delete the rest of the definition. Mr. Diveley advised that the issue could arise that the definition may be too simplified and not completely clarified to all appraisers. The Council further discussed.

Mr. Parker advised that for our statute for purposes of the licensed appraiser classification that transaction value equals market value as opposed to just market value for clarification. Mr. Levering advised that Licensed Real Property appraisers can not appraise property over \$1,000,000. The Council concurred. Mr. Parker further advised that the proposed change, which the Council withdrew, should read less than \$1,000,000 dollars of non complex properties and complex properties of less than \$250,000.

The Council addressed Mr. Loomis to make comments. Mr. Loomis advised that the AQB only makes reference of transaction value for licensed real property appraiser and questioned why the State's statute should even have transaction value completely stricken from the statute as

DE is a mandatory state and every appraisal must be completed by a licensed or certified appraiser. Mr. Mandato advised that it would be most beneficial to put a definition in that specifically states transaction value is market value. The Council further discussed.

The Council discussed to have a definition that states “transaction value shall mean market value” as numeral twenty (20) in the statute for 24 Del. C. section 4002 Definitions. The Council also agreed to revise and adopt Virginia’s statutory language to specifically state “transaction value means the monetary amount of a transaction which requires the services of a certified or licensed appraiser for completion. The transaction value is equal to the market value of the real property interest involved.” Mr. Parker made a motion to adopt the revised definition for transaction value into the statute, seconded by Mr. Huston. The motion carried unanimously.

Ms. Oliva inquired if “federally-related” is still being stricken from the statute and the Council advised that the determination was to completely strike “federally-related” from all occurrences within the statute.

Ms. Oliva advised the Council that the agenda needed to be amended. Mr. Huston made a motion to amend the agenda to add agenda item regarding 30 days time frame from the final order as presented by Ms. Oliva, seconded by Mr. Levering. Motion carried unanimously. Ms. Oliva advised the Council about the language regarding the effective date of the final order is being proposed by the Attorney General’s office and that the Council would need to strike section 4006 (a)(12) of 24 Del. C. Mr. Huston made a motion to strike section 4006 (a)(12) of the statute, seconded by Mr. Diveley. The motion carried unanimously. Ms. Oliva advised that she will place this proposed change, in conjunction with the other proposed changes in the statute in the draft bill as well to be presented to legislation during the next legislative session.

Mr. Parker inquired if the proposed statute changes presented previously were sent to legislation. Ms. Oliva advised that those changes were not submitted as the Council provided further changes to the statute at the next meeting following those proposed changes. There was no further discussion.

### **New Business**

#### **New Complaint: 19-02-10**

Mr. Parker was assigned to complaint 19-02-10 out of New Castle County.

#### **Correspondence Letter Regarding Commercial Broker Opinions of Value**

Mr. Huston advised that in response to this letter the Council had been proactive in sending a letter to all three counties in DE and the REA Commission regarding the use of Broker Price Opinion’s and Competitive Market Analyses. Mr. Huston advised that he would recommend Ms. Oliva to draft another letter to be sent out. The Council would like Ms. Oliva to draft the letter for their review at their next meeting regarding this matter. Ms. Oliva further advised that if the Council were to receive a complaint regarding illegal use of BPOs or CMA’s as unlicensed practice, the Council has the authority to issue a cease and desist order. Ms. Oliva also advised that a fine can be issued as mandated by our statute.

#### **Correspondence Letter from State of Pennsylvania: Reciprocal Agreement**

Ms. Williams advised the Council of the reciprocal agreement letter addressed to Mr. Huston and that Ms. Oliva advised that our current statute does not allow for Delaware to enter into any type of reciprocal agreements. The Council discussed. Ms. Williams will send a response letter to PA referencing them of the statutory section for reciprocity for Delaware.

Temporary Permit Application for Review: Martin Castore – Two Properties in New Castle Co.  
The Council moved to agenda item 4.5 to allow Ms. Oliva time to review the application for Mr. Castore.

Ms. Oliva provided an update to Mr. Castore's application. She advised that Mr. Castore's application will need to be reviewed by the Council and then a determination made to either propose to deny the application or waive the disciplinary action and approve the license. The Council tabled the application until the June meeting.

Review of Continuing Education Activities

Ms. Williams advised the Council that the below continuing education activities were all in order for ratification.

ASFMRA

Cost Approach for General Appraisers (A301) – 30/27 QE/CE hours classroom –  
July 12-15, 2010

Delaware Chapter of the Appraisal Institute

Real Estate Economic Summit – 2 CE hours classroom – 5/11/10

IRWA Chapter 56

Course 105-The Uniform Act Executive Summary – 7.5 CE hours classroom –  
5/25/10

McKissock, LP

Statistics, Modeling and Finance – 15 QE hours online

Risky Business: Ways to Minimize Liability – 7 CE hours classroom

Sales Verification: Principles, Procedures, & Case Studies – 7 CE hours classroom

The Changing World of FHA Appraising – 7 CE hours classroom

HVCC and the Future of Appraising: Taking Back Our Profession – 4 CE hours  
classroom

REO and Short Sale Appraisal Guidelines – 4 CE hours classroom

Van Education Center

Basic Appraisal Procedures – 30 QE hours online

Appraisal Institute

What Ever Happened to Quality Assurance in Residential Appraisals: Avoiding Risky  
Appraisals and Risky Loans – 7 CE hours classroom

Mr. Parker made a motion to ratify the above listing of continuing education activities, seconded by Mr. Diveley. Motion carried unanimously.

Ratification of Issued Licenses List

Ms. Williams advised that licenses were issued to George D. Powell of CA and AZ (Cert General) and Adam Gilbert of NJ and PA (Cert Residential). A motion was made by Mr. Parker, seconded by Mr. Diveley to ratify the listing of licenses issued to the above to applicants. The motion carried unanimously.

Review of Temp Applications (for discussion only)

Ms. Williams advised the Council of the temp applications issued to Robert Wells of New Castle Co., Nicholas Wuensch of Sussex Co., Jerome Witte of New Castle Co., Ed Smith of New Castle Co. and Sussex Co., John C. Donnelly of Sussex Co., Lawrence Henry of New Castle Co., Timothy Baker of New Castle Co., and Sid Brady of New Caste Co.

There was no further discussion by the Council.

**Other Business before the Council (for discussion only)**

Mr. Levering advised the Council of a newspaper article and advised that it is the Council's duty as professionals to report any activity of unprofessional practice referencing the recent medical case which involved persons not reporting unprofessional practice.

**Public Comment**

Mr. Loomis advised that he did not see in the statute where Delaware was not allowed to enter into any reciprocal agreements. Ms. Oliva advised that the statutes heading of "reciprocity" is just a heading and should read "licensure by endorsement" because the language is not reciprocal but rather endorsement. Ms. Oliva will change the heading of section 4011 to Licensure by Endorsement with the proposed statute changes presented by the Council.

**Next Meeting**

The next meeting is scheduled for June 15, 2010 at 9:30 a.m. in Conference Room A, second floor, Cannon Building, 861 Silver Lake Boulevard, Dover, Delaware.

**Adjournment**

Mr. Huston made a motion, seconded by Mr. Parker, to adjourn the meeting. With there being no further business before the Council the meeting adjourned at 10:43 a.m.

Respectfully submitted,

A handwritten signature in cursive script that reads "Nicole M. Williams".

Nicole M. Williams  
Administrative Specialist II